

Presenting the CalPERS 2014 Health Plans

Transcript

Title: Anthem Blue Cross PPO

Date: September 2014

Narrator:

Through Anthem Blue Cross, CalPERS offers three separate self-insured PPO plans that provide an alternative to HMO coverage and allow freedom to choose a provider and self-refer to specialists. Mark Johnson is the senior managing consultant handling the CalPERS account for Anthem Blue Cross.

Presenter:

Anthem Blue Cross is looking forward to our 16th year as the medical benefits administrator for over 360,000 CalPERS Preferred Provider Organization (PPO) plans members in 2014.

PPO medical plans represent a distinctly different health benefits delivery approach compared to HMO plans. Unlike an HMO plan, PPO plans don't require the designation of a primary care physician. PPO plan members have freedom to choose physicians including specialists without the need for an authorization, referral, approval or access only within the same medical group. This explains why a PPO plan identification card doesn't include the name of a designated primary care physician or medical group.

Let's review the 3 PPO plan options:

PERSCare offers the highest level of coverage of the three CalPERS PPO plans. And the 2014 PERS Care premium rates have never been more affordable.

PERS Choice is the flagship PPO plan having over three quarters of CalPERS' PPO enrollment. Like PERSCare, PERS Choice offers the full Anthem Blue Cross PPO network access of 60,000 participating physicians and over 390 hospitals within California.

PERS Choice is by far the medical plan selection for out of state pre-Medicare retirees. These retirees receive the same coverage as California resident retirees and they access a PPO network from their resident state's Blue Cross/Blue Shield plan.

In 2014, PERS Select will continue to offer premium cost value for CalPERS members. PERS Select offers the availability of the same benefit coverage as PERS Choice, but with lower premiums than PERS Choice. These lower premiums are achieved by having the PERS Select benefit design direct members to lower cost Anthem Blue Cross contracted physicians and hospitals. PERS Select utilizes a subset of 37,000 physicians from the Anthem Blue Cross PPO network available under PERSCare and PERS Choice. Additionally, PERS Select utilizes a tiered hospital network where PERS Select members receive the highest level of hospitalization coverage when they use tier 1 hospitals over tier 2 hospitals.

One of the big advantages of the CalPERS Health Benefits program is the ability to offer employees and under age 65 retirees with competitive PPO benefit coverage at an affordable premium cost. The three CalPERS PPO plans compare favorably in benefit coverage and premium cost with PPO plans offered by public and private employers.

The key similarities between the three PPO plans are:

\$500 calendar year deductible

\$20 Office visit co-pay

100% Routine Preventive coverage

\$50 Emergency Room Deductible

Unlimited Lifetime Maximum Coverage

The key differences between the three PPO plans are:

There's 90% coverage on PERSCare, 80% coverage on PERS Choice and PERS Select after the \$500 calendar year deductible has been met.

There's a \$2,000 PPO maximum out of pocket coinsurance obligation with PERSCare and \$3,000 PPO maximum out of pocket coinsurance obligation with PERS Choice and PERS Select.

Services that do not apply to the \$500 Calendar Year Deductible are:

The Physician Office visit \$20 copay. The prescription copays and emergency room copays.

The \$500 per member calendar year deductible applies to other medical services such as surgeries, inpatient and outpatient hospital admissions, chiropractic and acupuncture care, behavioral health services, physical therapy, x-rays and imaging scans.

The member's coinsurance percentage costs apply toward the calendar year maximum out of pocket.

Services for non-participating providers are reimbursed at approximately 60%. The 40% coinsurance costs don't apply toward the maximum out of pocket provision.

Please take the time to review the following provided examples of how copays and the calendar year deductible are applied under PERS Choice coverage. As you'll see, outside of copays for office visits, ER visits and prescriptions, a PERS Choice member is responsible for the first \$500, then the plan coverage transitions and the member pays a 20% share of the PPO plan's negotiated costs. Once a member's 20% coinsurance obligation reaches an aggregate total of \$3,000 within the same calendar year the plan coverage transitions again. The member is then covered for 100% of their medical costs for the balance of that year with par providers regardless of the magnitude of costs connected with a catastrophic illness or injury.

PERSCare, PERS Choice and PERS Select are offered to age 65+ retirees on a Supplement to Medicare arrangement where using a preferred provider network isn't applicable.

Under these plans, the Supplement to Medicare plan covers Medicare Part A and Part B deductibles and the balance of most medical coinsurance obligations. There's largely no medical copayment obligations like Basic plan coverage and members receive the same prescription drug coverage offered on the Basic plans for under age 65 members.

The key with Supplement to Medicare coverage is receiving medical care from providers who participate in Medicare. When a medical provider participates in Medicare and accepts Medicare assignment the member pays nothing as noted in this first example. The provider accepts Medicare's allowed amount as payment in full.

When a provider participates in Medicare, but doesn't accept Medicare assignment, the total amount the Member may pay is what the Provider bills minus what Medicare pays and the Supplement to Medicare plan pays as noted in this second example..... In most cases, the provider will accept what Medicare allows and the Medicare limiting amount (which is capped at 15%) as payment in full, but the provider may balance bill the member.

Finally when a member receives services from a provider that doesn't participate in Medicare and doesn't accept Medicare assignment, the total amount the member pays will be what the provider bills as noted in this third example.

Locating a participating Anthem Blue Cross provider for Basic plan coverage is easy through our Provider Finder link easily accessible through our CalPERS micro site www.anthem.com/ca/calpers. The "Find a Doctor" link on the home page takes you directly to the appropriate provider finder link sequence. There is a separate provider finder link for PERS Select.

The PPO plans offer a comprehensive array of disease management programs, our Future Moms pregnancy program, 24/7 nurse line services, on-line resources (such as Web MD, My Anthem and Healthy Living) and special discount programs available through our CalPERS microsite.

CalPERS members who are interested in enrolling with PPO coverage should ask themselves this fundamental question, "Am I willing to share more in plan expenses than I would with HMO coverage to have the ability to self-direct my health care?"

Anthem Blue Cross has been pleased to provide this information on PERSCare, PERS Choice and PERS Select.

We urge existing and interested CalPERS PPO members to access our dedicated CalPERS customer service unit through our CalPERS microsite.

Thank you from Anthem Blue Cross and be well.